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UNCLAS SECTION 01 OF 02 KUWAIT 004202

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SUBJECT: INDUSTRY REPS POSITIVE ABOUT GOK IPR PROTECTION  
EFFORTS, FOCUSED ON SPECIFIC END GOALS

REF: KUWAIT 3608

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**¶1.** (SBU) Summary: Econ Officer met September 25 with Arabian Anti-Piracy Alliance (AAA) CEO Scott Butler, his local Kuwaiti staff, and Microsoft's local License Compliance Manager, Sami Al-Anzy, to discuss the status of IPR protection and enforcement in Kuwait. Butler emphasized that he has seen a significant change in IPR enforcement over the past year and was encouraged by a number of positive signs from the GOK. He said that he was prepared to provide positive feedback to his rights-holder clients and to USTR concerning Kuwait's improved IPR protection regime. Butler said that he still hoped to see three specific improvements over the next six months: the involvement of municipality and police officials in cracking down on street vendor piracy; the newly created inter-ministerial IPR Task Force being given teeth and purpose with proper high-level involvement by all relevant agencies; and for the new copyright law to include minimum mandatory jail sentences for IPR piracy violations. Microsoft's Al-Anzy concurred with Butler's assessment and added that his current focus was on trying to achieve greater software license compliance among small and medium businesses, where he said the rate of piracy was as high as 90%. End Summary.

**¶2.** (SBU) Econ Officer met September 25 with AAA CEO Scott Butler, his local Kuwaiti staff, and Microsoft's local License Compliance Manager, Sami Al-Anzy, to discuss the status of IPR protection and enforcement in Kuwait. Butler said that he has seen a significant change in IPR enforcement activities over the past year and that he felt that Kuwait was really making progress. He said that he was now willing to make this point both to his IPR rights-holder clients and to USTR, with whom he is in regular contact. Al-Anzy concurred with Butler's assessment.

**¶3.** (SBU) Butler compared Kuwait to its GCC neighbors and explained that, compared to Dubai, Kuwait still has a lot of work to do. He explained how when Kuwaiti Information Ministry Undersecretary Ibrahim Al-Nouh recently traveled to Dubai, AAA set up a number of meetings and discussions that "really opened Al-Nouh's eyes." "He saw how the police were cooperating with the Ministries and how everyone was on board, it really blew him away," Butler explained. He added that, while Kuwait is lagging behind Dubai on IPR enforcement and protection, it is doing better than Oman and that Oman's stagnant progress on IPR protection "may be a showstopper in the FTA negotiations." He also said that "Saudi Arabia is regressing" and was showing signs of becoming a real problem in the region.

**¶4.** (SBU) Butler said that there were still three specific things that he would like to see in order for Kuwait to move off the Special 301 Priority Watch List. First, he explained, the AAA still considers street vendor piracy a major problem. He said that he would like to try and set up a meeting with Minister of Justice and Acting Minister of Municipality Affairs Ahmed Bager Al-Abdullah, in his capacity overseeing the municipalities, in order to ask for more street-level enforcement within the municipalities.

**¶5.** (SBU) The second thing that Butler wanted to see was for the newly created inter-ministerial IPR Task Force to be given teeth and a real purpose with proper high-level involvement by all relevant agencies. He echoed what we have heard from other interlocutors, that the formation of this committee was a positive development but that it had to begin its work rather than existing in name only. He also wanted to make sure that there would be active police involvement on this committee.

**¶6.** (SBU) Finally, Butler wanted to see mandatory minimum jail sentences included for IPR piracy violations in the new copyright law. He said that he and his staff had not yet had a chance to review the most recent changes and hoped that the

Embassy and/or USTR would continue to push for jail sentences to be included. He was assured Embassy would continue to push for that, and that USTR would likely have a chance to review the new law when it was completed in draft.

17. (SBU) Asked about the Kuwaiti IPR Association headed by Shaykh Salman Dawood Al-Sabah, Butler said that he knew Shaykh Salman when he used to work for the Ministry of Information. Al-Anzy of Microsoft said that he also knows Shaykh Salman, and that he "didn't do much at the Ministry of Information." Al-Anzy said that Shaykh Salman had propagated an idea while at the Ministry for IPR rights-holder to basically "pay for IPR protection" and that, when his idea did not catch on, he left the Ministry and started this private association. Al-Anzy said that, unlike other Kuwaiti NGOs, the IPR Association is not funded by the government. He said most of the members are professors from Kuwait University. Butler and Al-Anzy agreed that Shaykh Salman "wants to be politically active" and is perhaps leading this organization in order to raise his own profile. They both also agreed though that he did appear to genuinely want to help with the problem and may be useful in conveying messages to the Prime Minister.

18. (SBU) On how the business community could get more involved with IPR protection, Butler said that the Kuwait Chamber of Commerce and Industry (KCCI) could be used to funnel information to the new inter-ministerial IPR task force, and to organize public forums and other educational events. Al-Anzy explained that his current focus was on trying to achieve greater software license compliance among small and medium businesses, where he said the rate of piracy was as high as 90%. He said that KCCI could be used to help in this regard, to raise awareness among the business community.

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